

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF
THE STATE OF COLORADO**

IN THE MATTER OF THE APPLICATION OF)	
SYNERGY RESOURCES CORPORATION FOR)	
AN ORDER TO ESTABLISH A 640-ACRE)	
DRILLING AND SPACING UNIT FOR HORIZONTAL)	CAUSE NO. 539
WELLS TO THE GREENHORN FORMATION IN)	
SECTION 36, TOWNSHIP 6 NORTH, RANGE)	DOCKET NO. 150500_____
59 WEST, IN AN UNNAMED FIELD,)	
WELD COUNTY, COLORADO)	

VERIFIED APPLICATION

COMES NOW, Synergy Resources Corporation ("Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits it's Verified Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission"), for an order to establish a 640-acre exploratory drilling and spacing unit in Section 36, Township 6 North, Range 58 West, 6th P.M, for horizontal wells to the Greenhorn Formation, in an unnamed field, Weld County, Colorado, and in support of its application states as follows:

1. Applicant is duly organized and authorized to conduct business in the State of Colorado (GOGCC Operator No. 10311).

2. Applicant owns leasehold interests in the following described lands in Weld County, Colorado, containing approximately 640-acres (hereinafter, the "Application Lands"):

Township 7 North, Range 59 West, 6th P.M.
Section 36

3. The Application Lands are unspaced as to the Greenhorn Formation.

4. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Sections 36, Township 7 North, Range 59 West, 6th P.M. is subject to Rule 318.a. for the Greenhorn Formation.

5. No wells have produced from the Greenhorn Formation in said Section 36.

6. Applicant desires to drill and complete horizontal wells to the Greenhorn Formation in the Application Lands.

7. Applicant requests that the Application Lands be established as an approximate 640-acre exploratory drilling and spacing unit for the drilling of horizontal wells to the Greenhorn Formation. The requested order should provide that up to two (2) horizontal wells may be drilled in the exploratory drilling and spacing unit to said Formation.

8. Applicant asserts that establishment of an approximate 640-acre exploratory drilling and spacing unit on the Application Lands, and the provision for up to two (2) horizontal wells therein, will permit the economic and efficient drainage of the Greenhorn Formation, will prevent waste, will not adversely affect correlative rights and will help assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Greenhorn Formation.

9. The requested order should further provide that the treated interval of any such horizontal well shall be no closer than 600-feet from the boundaries of the unit, and no closer than 1,200 feet from the treated interval of any well producing from the Greenhorn Formation, without exception being granted by the Director of the Commission.

10. On information and belief, a drilling and spacing unit of the size and shape specified above is not smaller than the maximum area which can be economically and efficiently drained by a single horizontal well to the Greenhorn Formation in the Application Lands.

11. The proposed horizontal wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

12. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth on **Exhibit A** attached hereto and made a part hereof.

WHEREFORE, the Applicant, Synergy Resources Corporation, respectfully requests that this matter be set for hearing, that notice be given as required by law, and upon such hearing this Commission enter its order to establish a 640-acre exploratory drilling and spacing unit in the Application lands for horizontal wells to the Greenhorn Formation as requested above, under terms which are fair, reasonable and required by law.

Dated: March 9, 2015.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By: 

J. Michael Morgan #7279
Justin M Plaskov #45053
950 South Cherry Street, Suite 900
Denver, CO 80246
(303) 753-9000; (303) 753-9997 (fax)
mmorgan@lohfshaiman.com

Applicant's Address:

Synergy Resources Corporation (#10311)
20203 Highway 60
Platteville, Colorado 80651

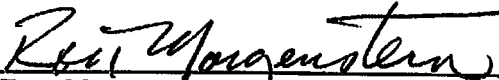
VERIFICATION

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is Vice President of Land & Business Development of the Applicant, Synergy Resources Corporation and maintains his office at 20203 Highway 60, Platteville, Colorado 80651
2. He has read the within Verified Application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge, information and belief.

Further Affiant sayeth not.



Ron Morgenstern

EXHIBIT "A"

TO APPLICATION OF SYNERGY RESOURCES CORPORATION

Applicant: Synergy Resources Corporation
20203 Highway 60
Platteville, Colorado 80651

Applicant's Attorney: J. Michael Morgan, Esq.
Lohf Shaiman Jacobs Hyman & Feiger PC
950 South Cherry Street, Suite 900
Denver, CO 80246

Local Government Designee: Tom Parko
Weld County
1555 North 17th Street
Greeley, CO 80631

Other Interested Parties:

Kent Kuster
Health and Environment
Colorado Department of State
4300 Cherry Creek Drive South
Denver CO 80246-1530

Celia Greenman
Colorado Division of Wildlife
6060 Broadway
Denver CO 80214

Colorado State Land Board
Department of Natural Resources
1127 Sherman Street, Suite 300
Denver, Colorado 80203

Synergy Resources Corporation
20203 Highway 60
Platteville, Colorado 80651

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WELD COUNTY, COLORADO)

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

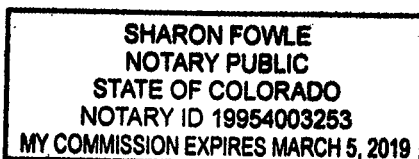
That he is the attorney for Synergy Petroleum Resources Corporation in the above-captioned matter. On March 9, 2015, he caused a copy of the attached Verified Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to said Application.

~~J. Michael Morgan~~

Subscribed and sworn to before me this 9th day of March, 2015.

Witness my hand and official seal.

My commission expires: 03/05/2019



Sharan Tule
Notary Public